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DE RUEHRA #0168 0651241
ZNR UUUUU ZZH
R 061241Z MAR 07
FM AMEMBASSY RIGA
TO RUEHC/SECSTATE WASHDC 3837
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS RIGA 000168

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E.O. 12958: N/A

TAGS: [PGOV](#) [PREL](#) [PINR](#) [LG](#)

SUBJECT: NEW ERA PARTY IN DISARRAY; PONDERERS LEADERSHIP CHANGE

11. Summary. Following the removal of Riga mayor Aivars Aksenoks on February 19, the New Era party has lost all of its positions of political influence and may face the threat of disintegration. The party's declining fortunes have prompted its board to call an emergency congress on March 31 for a vote of confidence in its leader Einars Repse. Many party members have hinted that Repse, who founded the party and served as prime minister from 2002 - 04 may be voted out. Repse, who still has loyal following in the party, has vowed to fight for his position. End summary.

12. The center-right New Era (JL) party, the largest opposition party in the Saeima, has announced that it will convene an emergency congress on March 31 to "assess the political situation in the country" and to "re-elect the party chairman and the board." After the Riga City Council voted to oust New Era's mayor Aivars Aksenoks on February 19, the party has virtually lost all political power in the country and is struggling to survive. Moreover, there have been increasing calls among the party members to dump its founder and long-time leader Einars Repse in the hope of returning to the political limelight. Former economy minister and JL parliamentary faction head (and AMCIT) Krisjanis Karins has been mentioned as Repse's successor although Repse has stated that he will not step down and will run for party chairman again.

13. Comment: It appears increasingly likely that New Era will dump Repse in March, although Repse's demise is often predicted and he manages to hang on. The party's fortunes have been fading since it left the governing coalition last April over what it felt was insufficient action to deal with revelations that Transport Minister Ainars Slesers had been involved in a scheme to influence the election of the mayor of Jurmala. New Era's anti-corruption position has made it anathema to other parties who complain that New Era "doesn't understand how things are done in Latvia." Although it has 18 seats in parliament, it could not win a place in the ruling coalition following the October 2006 Saeima elections. In fact, distaste for New Era often seems to be one of the uniting elements of the current coalition. The last blow to JL was the ouster of Riga mayor Aksenoks and the party's relegation to the opposition ranks in rich Riga (which has a budget larger than the national government), the last important New Era political bastion. To add insult to injury, three New Era faction members in the Riga city council defected and helped topple Aksenoks. Repse has reacted calmly to all the turmoil and has kept a low profile, prompting even some of his loyalists like Karlis Sadurskis and Linda Murniece to express concern. There is a strong possibility that the election could result in a split in the party, which would only weaken its declining political influence. Realistically, if New Era wants to have any influence in Latvian politics, it will have to either find a way to build a stronger base of support or, more likely, bury the hatchet with at least some of the ruling coalition parties, particularly the People's Party.

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